



Montana Environmental Trust Group LLC,
Trustee of the Montana Environmental Custodial Trust
By Greenfield Environmental Trust Group, Inc., Member
P.O. Box 1189 Helena, Montana 59624
Telephone: (406)457-2142
Email: ir@g-etg.com

December 12, 2018

By Electronic Mail

For the State of Montana

Jenny Chambers/ Russ Rowsey
Montana Department of Environmental Quality

Harley Harris/Greg Mullen/ Katherine Hausrath
Montana Department of Justice

For the United States

Alan Tenenbaum/Bob Brook
Environmental Enforcement Section Environment &
Natural Resources Div. U. S. Department of Justice

Steve Moores
Senior Attorney US EPA Region 8 (ENF-L)

Suzanne Bohan
Assistant Regional Administrator
US EPA Region 8—Montana Office

Dana Jacobsen
Department of the Interior Office of the Solicitor

Amy L. Horner
Department of the Interior Environmental
Restoration Branch Division of Parks and Wildlife
Office of the Solicitor

Martin Hestmark
Assistant Regional Administrator
US EPA Region 8—Montana Office

Robert Kirkpatrick
Deputy Director, Engineering, Fleet, Geospatial
Services & Sustainable Operations USDA Forest
Service

Subject: Third Quarter 2018 Financial Statements

As Trustee for the Montana Environmental Custodial Trust (the Custodial Trust), Montana Environmental Trust Group LLC, hereby submits the attached financial statements for the following Custodial Trust Accounts to the beneficiaries of the Custodial Trust:

- (1) The Custodial Trust Administrative Account;
- (2) The East Helena Cleanup Account;
- (3) The Mike Horse/Upper Blackfoot Mining Complex Cleanup Account;
- (4) The Black Pine Cleanup Account; and
- (5) The Iron Mountain Cleanup Account

The attached financial statements cover the quarter and calendar year to date (YTD) ending September 30, 2018 and are submitted pursuant to the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

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December 12, 2018
Third Quarter 2018 Financial Statements

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

Montana Environmental Trust Group, LLC
Trustee of the Montana Environmental Custodial Trust
By: Greenfield Environmental Trust Group, Inc., Member



Name: Jennifer Roberts
Title: Financial Affairs Manager

Enclosure

cc: Betsy Burns—EPA-8
Cynthia Brooks—Greenfield
Daryl Reed – MDEQ
Denise Martin – MDEQ
Justin Mosness—Wipfli
Joe Vranka—EPA-8
Joel Chavez – MDEQ
Lauri Gorton—Greenfield
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Melody McDonough – Greenfield
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Accountant's Compilation Report

To the Trustees and Beneficiaries
Montana Environmental Trust Group LLC
Trustee for the Montana Environmental Custodial Trust
Helena, MT

The Trustees are responsible for the accompanying special purpose financial statements of; the Custodial Trust Administrative Account, the East Helena Cleanup Account, the Mike Horse/Upper Blackfoot Complex Cleanup Account, the Black Pine Cleanup Account and the Iron Mountain Cleanup Account (collectively the Custodial Trust), which comprise the statement of financial position as of September 30, 2018 and the related statements of activities for the quarter and calendar year to date (YTD) then ending and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶16.1 of the Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in special purpose financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the special purpose financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net assets, additions, and deductions. Accordingly, the special purpose financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The Black Pine Mine Custodial Trust Expense Tracking supplementary information is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Montana Environmental Trust Group LLC.

Wipfli LLP

Wipfli LLP
December 12, 2018
Helena, MT

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

ASSETS

Current assets

Cash

\$ 211,236.53

Due from other cost centers

45,997.93

Total current assets

257,234.46

Investments

5,277,619.84

Total assets

\$ 5,534,854.30

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ 157,735.40

Due to other cost centers

-

157,735.40

Net assets

5,377,118.90

Total net assets and liabilities

\$ 5,534,854.30

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Investment income, net of fees	\$ 22,673.28	\$ 69,721.18			
Unrealized gains (losses)	(1,933.30)	(48,846.73)			
Deposit proceeds received for property sale	-	10,000.00			
Total revenues (losses)	20,739.98	30,874.45			
Expenses:					
1.A Financial Affairs					
1.A.1 Outside Financial Services	10,878.22	24,971.27	\$ 33,000.00	\$ (8,028.73)	75.67%
1.A.2 Audit	17,803.00	78,428.50	90,075.00	(11,646.50)	87.07%
1.A Financial Affairs Total	28,681.22	103,399.77	123,075.00	(19,675.23)	84.01%
1.C Property Taxes					
1.C.1 East Helena	-	15,848.94	105,200.00	(89,351.06)	15.07%
1.C.2 UBMC-Mike Horse	-	2,189.65	5,363.00	(3,173.35)	40.83%
1.C.3 Black Pine	-	1,245.98	5,475.00	(4,229.02)	22.76%
1.C.4 Iron Mountain	-	146.11	400.00	(253.89)	36.53%
1.C Property Taxes Total	-	19,430.68	116,438.00	(97,007.32)	16.69%
1.F Site Security					
1.F.1 East Helena	6,165.00	22,030.87	47,650.00	(25,619.13)	46.23%
1.F.2 UBMC-Mike Horse	3,756.50	3,793.50	9,400.00	(5,606.50)	40.36%
1.F.3 Black Pine	4,808.13	14,980.33	20,079.00	(5,098.67)	74.61%
1.F.4 Iron Mountain	-	-	1,400.00	(1,400.00)	0.00%
1.F Site Security Total	14,729.63	40,804.70	78,529.00	(37,724.30)	51.96%
1.G Insurance					
1.G.1 Commercial General Liability	-	46,237.50	54,000.00	(7,762.50)	85.63%
1.G.2 Vehicle-Equipment Insurance	7,593.00	7,593.00	9,000.00	(1,407.00)	84.37%
1.G.3 Property Insurance	-	15,288.34	19,000.00	(3,711.66)	80.46%
1.G Insurance Total	7,593.00	69,118.84	82,000.00	(12,881.16)	84.29%

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
1.H Trust Legal Affairs					
1.H.1 Outside Council	152.00	272.00	3,500.00	(3,228.00)	7.77%
1.H.3 GETG Professional Fees	1,622.00	12,005.50	21,500.00	(9,494.50)	55.84%
1.H.4 Water Rights	374.00	2,109.67	21,800.00	(19,690.33)	9.68%
1.H Trust Legal Affairs Total	<u>2,148.00</u>	<u>14,387.17</u>	<u>46,800.00</u>	<u>(32,412.83)</u>	<u>30.74%</u>
1.I Unpatented Mining Claims					
1.I.1 Fees for Unpatented Mining Claims	52,348.65	52,348.65	55,000.00	(2,651.35)	95.18%
1.K Property Sales					
1.K.1 East Helena	42,845.31	137,560.63	207,752.00	(70,191.37)	66.21%
1.K.2 UBMC-Mike Horse	-	-	1,700.00	(1,700.00)	0.00%
1.K.4 Iron Mountain	-	-	1,700.00	(1,700.00)	0.00%
1.K Property Sales Total	<u>42,845.31</u>	<u>137,560.63</u>	<u>211,152.00</u>	<u>(73,591.37)</u>	<u>65.15%</u>
1.L Trustee Costs					
1.L.1 Trustee Fees	9,469.50	17,638.00	26,700.00	(9,062.00)	66.06%
1.L.2 Trustee Expenses	50.00	50.00	1,500.00	(1,450.00)	3.33%
1.L Trustee Costs Total	<u>9,519.50</u>	<u>17,688.00</u>	<u>28,200.00</u>	<u>(10,512.00)</u>	<u>62.72%</u>
Total expenses	<u>157,865.31</u>	<u>454,738.44</u>	<u>741,194.00</u>	<u>\$ (286,455.56)</u>	<u>61.35%</u>
Change in net assets	<u>(137,125.33)</u>	<u>(423,863.99)</u>	<u>\$ (741,194.00)</u>		
Net assets, beginning of period	<u>5,514,244.23</u>	<u>5,800,982.89</u>			
Net assets, end of period	<u>\$ 5,377,118.90</u>	<u>\$ 5,377,118.90</u>			

Montana Environmental Custodial Trust

East Helena Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

ASSETS

Current assets

Cash	\$ 367,857.33
Accounts receivable	-
Due from other cost centers	-
Total current assets	<u>367,857.33</u>

Investments

Total assets	<u>50,012,705.95</u>
	<u><u>\$ 50,380,563.28</u></u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 242,356.56
Retention hold-back payable	-
Total current liabilities	<u>242,465.47</u>

Net assets

Total net assets and liabilities	<u>50,138,097.81</u>
	<u><u>\$ 50,380,563.28</u></u>

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Income					
Agricultural Tenants	\$ -	\$ -			
Sale of Assets	-	-			
Slag Pile	-	42,369.00			
Income Total	-	42,369.00			
Investment activity, net of fees	270,709.53	725,287.17			
Unrealized gains (losses)	342,956.06	130,410.72			
Total revenues (losses)	613,665.59	898,066.89			
Expenses:					
2.B · General Site Operations					
2.B.1 · Operations & Maintenance	3,299.42	18,494.68	\$ 59,900.00	\$ (41,405.32)	30.88%
2.B.2 · Office Operations	214.00	253.95	5,000.00	(4,746.05)	5.08%
2.B.3 · Safety	247.50	825.00	14,100.00	(13,275.00)	5.85%
2.B.6 · Emergency Response	-	-	20,000.00	(20,000.00)	0.00%
2.B.7 · Site Office	2,276.90	6,711.66	9,500.00	(2,788.34)	70.65%
Total 2.B · General Site Operations	6,037.82	26,285.29	108,500.00	(82,214.71)	24.23%
2.F · RCRA Compliance					
2.F.1 · Reporting	-	200.00	2,000.00	(1,800.00)	10.00%
2.F.2 · Inspections	-	-	2,000.00	(2,000.00)	0.00%
2.F.5 · CAMU O&M/Leachate Collection and Disposal	7,392.50	13,770.56	490,900.00	(477,129.44)	2.81%
2.F.7 · CAMU Leachate Design and Construction	-	-	226,700.00	(226,700.00)	0.00%
Total 2.F · RCRA Compliance	7,392.50	13,970.56	721,600.00	(707,629.44)	1.94%

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
2.J · RCRA Corrective Action Implementation					
2.J.1 · South Plant Hydraulic Control IM					
2.J.1a · SPHC IM Design	-	-	289,000.00	(289,000.00)	0.00%
2.J.1b · SPHC IM Construction	-	15,814.00	15,900.00	(86.00)	99.46%
2.J.1 · SPHC IM Design & Construction	-	15,814.00	304,900.00	(289,086.00)	5.19%
2.J.4 · IM/RCRA Support					
2.J.4b · Corrective Measures Study	3,732.77	41,776.44	84,000.00	(42,223.56)	49.73%
2.J.4 · IM/RCRA Support	3,732.77	41,776.44	84,000.00	(42,223.56)	49.73%
2.J.6 · Corrective Measure Implementation					
2.J.6a · CMI Work Plan	7,296.72	12,562.47	150,000.00	(137,437.53)	8.37%
2.J.6b · Final Remedy Construction/Implementation	-	-	220,000.00	(220,000.00)	0.00%
2.J.6c · Corrective Measures O&M	64,105.61	151,690.12	699,700.00	(548,009.88)	21.68%
2.J.6d · 2017 CAMP/Performance Monitoring	40,810.99	94,444.66	353,300.00	(258,855.34)	26.73%
2.J.6e · Long term Technical Planning/Support	-	-	50,000.00	(50,000.00)	0.00%
2.J.6f · Residential Well Abandonment	-	-	176,000.00	(176,000.00)	0.00%
2.J.6 · Design Management/Execution	112,213.32	258,697.25	1,649,000.00	(1,390,302.75)	15.69%
2.J.7 · Long-term Stewardship and O&M					
2.J.7a · Greenway Project	-	-	-	-	0.00%
2.J.7 · Long-term Stewardship and O&M	-	-	-	-	0.00%
Total 2.J · RCRA Corrective Action Implementation	115,946.09	316,287.69	2,037,900.00	(1,721,612.31)	15.52%
2.K · Documents & Records					
2.K.2 · System Maintenance	1,906.25	5,536.25	18,000.00	(12,463.75)	30.76%
Total 2.K · Documents & Records	1,906.25	5,536.25	18,000.00	(12,463.75)	30.76%
2.M · CERCLA Compliance	7,153.12	9,545.62	34,400.00	(24,854.38)	27.75%
2.N · Financial Affairs					
2.N.1 · Financial Affairs-CPA	7,675.77	20,855.61	30,000.00	(9,144.39)	69.52%
Total 2.N · Financial Affairs	7,675.77	20,855.61	30,000.00	(9,144.39)	69.52%

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
2.O · Redevelopment					
2.O.2 · Redevelopment Support	-	-	10,000.00	(10,000.00)	0.00%
2.O.3 · Redevelopment Issues	-	-	5,000.00	(5,000.00)	0.00%
Total 2.O · Redevelopment	-	-	15,000.00	(15,000.00)	0.00%
2.P · Community Relations					
2.P.1 · General Meetings	-	-	3,000.00	(3,000.00)	0.00%
2.P.2 · RCRA Annual Public Meeting	-	132.50	3,000.00	(2,867.50)	4.42%
2.P.3 · East Helena Website	60.51	488.01	7,500.00	(7,011.99)	6.51%
2.P.5 · Other Community Relations	-	2,625.00	41,000.00	(38,375.00)	6.40%
Total 2.P · Community Relations	60.51	3,245.51	54,500.00	(51,254.49)	5.96%
2.R · Legal Support					
2.R.1 · Outside Counsel Fees & Expenses	285.00	1,883.50	15,000.00	(13,116.50)	12.56%
2.R.2 · In-House Legal Services	2,719.00	7,284.00	41,200.00	(33,916.00)	17.68%
Total 2.R · Legal Support Total	3,004.00	9,167.50	56,200.00	(47,032.50)	16.31%
2.T · Trustee Management & Support					
2.T.4 · GW and PPC Project Management	7,326.96	20,071.46	56,000.00	(35,928.54)	35.84%
2.T.6 · Compliance Manager	1,668.62	7,297.37	13,700.00	(6,402.63)	53.27%
2.T.7 · Operations Manager	1,470.50	5,400.75	41,100.00	(35,699.25)	13.14%
2.T.8 · Operations Support Specialist	1,803.75	7,172.50	27,000.00	(19,827.50)	26.56%
2.T.9 · Project Controls/Fin Affairs Coordinator	7,548.00	21,497.00	115,400.00	(93,903.00)	18.63%
2.T.11 · Trustee Mgmt. EH Clean Up	13,688.00	57,466.00	141,600.00	(84,134.00)	40.58%
2.T.12 · Trustee Land Use & Re-use	4,602.00	27,376.00	29,500.00	(2,124.00)	92.80%
2.T.13 · Trustee Travel and Directs	-	-	12,000.00	(12,000.00)	0.00%
2.T.14 · Project Management/LT Stewardship Oversight	1,575.75	16,139.50	76,400.00	(60,260.50)	21.13%
Total 2.T · Trustee Management & Support Total	39,683.58	162,420.58	512,700.00	(350,279.42)	31.68%
Total East Helena expenses	188,859.64	567,314.61	\$ 3,588,800.00	\$ (3,021,485.39)	15.81%
Change in net assets	424,805.95	330,752.28			
Net assets, beginning of period	49,713,291.86	49,807,345.53			
Net assets, end of period	\$ 50,138,097.81	\$ 50,138,097.81			

Montana Environmental Custodial Trust
Summary East Helena Clean-up Account

SUMMARY STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Rental/Lease Income	\$ -	\$ 42,369.00			
Investment activity, net of fees	270,709.53	725,287.17			
Unrealized gains (losses)	342,956.06	130,410.72			
Total revenues (losses)	613,665.59	898,066.89			
Expenses:					
2.B · General Site Operations	6,037.82	26,285.29	\$ 108,500.00	\$ (82,214.71)	24.23%
2.F · RCRA Compliance	7,392.50	13,970.56	721,600.00	(707,629.44)	1.94%
2.J · RCRA Corrective Action Implementation	115,946.09	316,287.69	2,037,900.00	(1,721,612.31)	15.52%
2.K · Documents & Records	1,906.25	5,536.25	18,000.00	(12,463.75)	30.76%
2.M · CERCLA Compliance	7,153.12	9,545.62	34,400.00	(24,854.38)	27.75%
2.N · Financial Affairs	7,675.77	20,855.61	30,000.00	(9,144.39)	69.52%
2.O · Redevelopment	-	-	15,000.00	(15,000.00)	0.00%
2.P · Community Relations	60.51	3,245.51	54,500.00	(51,254.49)	5.96%
2.R · Legal Support	3,004.00	9,167.50	56,200.00	(47,032.50)	16.31%
2.T · Trustee Management & Staff	39,683.58	162,420.58	512,700.00	(350,279.42)	31.68%
Total East Helena expenses	188,859.64	567,314.61	<u>\$ 3,588,800.00</u>	<u>\$ (3,021,485.39)</u>	15.81%
Change in net assets	424,805.95	330,752.28			
Net assets, beginning of period	49,713,291.86	49,807,345.53			
Net assets, end of period	<u>\$ 50,138,097.81</u>	<u>\$ 50,138,097.81</u>			

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

ASSETS

Current assets

Cash	\$ 147,975.34
Prepaid expenses - DEQ	64,474.68
Due from other cost centers	-
Total current assets	<u>212,450.02</u>

Investments

Total assets	<u><u>\$ 3,946,012.12</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 100,439.22
Due to other cost centers	45,573.42
Total current liabilities	<u>146,012.64</u>

Net assets

Total net assets and liabilities	<u><u>3,799,999.48</u></u>
	<u><u>\$ 3,946,012.12</u></u>

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest income - DEQ	\$ 289.42	\$ 1,001.17			
Investment income, net of fees	16,297.27	48,934.14			
Unrealized gains (losses)	(1,751.10)	(35,057.56)			
Total revenues (losses)	14,835.59	14,877.75			
Expenses:					
4.1 MT DEQ Expenses					
4.A Personnel (MT DEQ)	7,395.48	17,536.47	\$ 31,783.00	\$ (14,246.53)	55.18%
4.DEQ Direct & Indirect Expenses	12,039.85	33,144.69	74,498.00	(41,353.31)	44.49%
4.1 Total MT DEQ Expenses	19,435.33	50,681.16	106,281.00	(55,599.84)	47.69%
4.2 Other Expenses					
4.B Material, Supplies & Chemicals					
1-62244 Chemicals	29,785.07	110,095.61	141,550.00	(31,454.39)	77.78%
WTP Supplies	15,961.08	45,460.28	56,900.00	(11,439.72)	79.90%
4.B Material, Supplies & Chemicals	45,746.15	155,555.89	198,450.00	(42,894.11)	78.39%
4.C Operating Labor					
1-62102-01 WTS/Trust Management and Oversight	17,688.25	53,633.25	72,500.00	(18,866.75)	73.98%
1-62102-02 GETG Trustee Oversight	13,020.50	23,460.00	32,700.00	(9,240.00)	71.74%
1-62102-22 WTP Technician/Operator	26,339.50	61,581.50	117,500.00	(55,918.50)	52.41%
4.C Operating Labor	57,048.25	138,674.75	222,700.00	(84,025.25)	62.27%
4.D Other Professional Services/Labor (Routine)					
1-62102-31 PLC & Instrumentation Service (MET)	3,888.00	7,126.00	28,250.00	(21,124.00)	25.22%
1-62891 Handyman Charges	-	1,721.46	7,500.00	(5,778.54)	22.95%
1-62102-51 Accounting Services (Wipfli)	852.87	2,443.41	5,000.00	(2,556.59)	48.87%
1-62243 Weed Control	1,200.00	1,200.00	1,200.00	-	100.00%
4.D Other Professional Services/Labor	5,940.87	12,490.87	41,950.00	(29,459.13)	29.78%
4.E WTP Operations - Analytical (Routine)					
1-62106-01 Energy Lab Testing (O&M Samples)	6,301.88	12,069.14	14,300.00	(2,230.86)	84.40%
1-62106-02 Linda Tangen Data Validation (O&M)	873.08	2,283.44	4,550.00	(2,266.56)	50.19%
1-62106-03 Energy Lab Testing (Additional Pilot/Chemistry Analysis)	-	-	5,400.00	(5,400.00)	0.00%
4.E WTP Operations - Analytical	7,174.96	14,352.58	24,250.00	(9,897.42)	59.19%

**Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account**

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
4.F WTP Operations - Utilities (Routine)					
1-62186 Waste Disposal	12,109.00	14,579.00	20,400.00	(5,821.00)	71.47%
1-62371 Telephone	604.27	2,015.34	6,200.00	(4,184.66)	32.51%
1-62601 Electricity	13,608.27	36,902.21	93,300.00	(56,397.79)	39.55%
1-62605 Water & Sewage	-	200.00	2,500.00	(2,300.00)	8.00%
1-62606 Garbage & Trash	570.30	1,370.90	1,800.00	(429.10)	76.16%
1-62607 Propane	17,214.32	17,248.27	21,200.00	(3,951.73)	81.36%
4.F WTP Operations - Utilities	44,106.16	72,315.72	145,400.00	(73,084.28)	49.74%
4.H Projects & Construction					
1-62102-01 · Unforeseen Breakdowns and Repair Response Funds	1,242.00	3,850.00	4,000.00	(150.00)	0.00%
1-62102-52 · Chemical Studies/Problems - Drake Water Technologies	5,077.91	5,077.91	30,000.00	(24,922.09)	0.00%
1-62102-204 Health & Safety Compliance	926.25	926.25	2,000.00	(1,073.75)	46.31%
1-63113-03 Spare Parts	12,734.48	17,579.06	83,000.00	(65,420.94)	21.18%
1-63113-20 Finalize O&M Manual	-	-	11,000.00	(11,000.00)	0.00%
1-62102-233 · Building Repairs (Corrosion Damage)	-	-	4,500.00	(4,500.00)	0.00%
1-63113-304 - Mike Horse Remediation Coordination (WTS)	380.50	380.50	4,740.00	(4,359.50)	0.00%
1-63113-48 - Fabricate & install sheet metal enclosures on Cell 7 exposed	-	-	-	-	0.00%
1-63113-50 - Install wildlife fence around perimeter of Cell 7	-	-	-	-	0.00%
1-62102-50 · Advertise, Interview & Train Part-time WTP Operator	-	-	-	-	0.00%
1-63113-51 - Purchase larger high pressure washer (20Hp) and jetting	-	4,998.00	8,360.00	(3,362.00)	59.78%
1-63113-53 - Reconfigure 300' vault piping for conveyance line cleaning with "pigs" & install 3" flow meter on redundant line and contractor for conveyance line pigging	-	-	14,000.00	(14,000.00)	0.00%
1-63113-54 - Install Equipment and Programming for WTP Emergency Shutdown	6,089.89	6,261.61	11,000.00	(4,738.39)	56.92%
1-63113-56 - Install Equipment and Programming for WTP Seasonal Shutdown	-	-	-	-	0.00%
1-63113-57 - Clarifier pilot test	-	19,139.42	20,000.00	(860.58)	95.70%
1-63113-58 - Purchase and install cartridge filters	-	26,430.55	27,000.00	(569.45)	97.89%
1-63113-59 - Design & fabricate sludge dredge	1,198.98	3,267.85	20,000.00	(16,732.15)	16.34%
1-63113-60 - Purchase miter saw & stand	-	898.20	900.00	(1.80)	99.80%
1-63113-61 - Purchase replacement Feed & CIPN pumps	-	10,348.18	10,400.00	(51.82)	99.50%
1-63113-62 - DWT BFBF Pilot Test	2,000.00	20,000.00	20,000.00	-	100.00%
1-63113-63 - DWT BFBF Full Scale Construction	-	-	-	-	0.00%

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
1-63113-64 - Install Automatic Control Valve on Mike Horse Auxiliary Adit Line	2,089.68	2,089.68	12,600.00	(10,510.32)	16.58%
1-63113-65 - Modify WTP to Increase Capacity for 2018 Spring Runoff	-	6,943.02	7,000.00	(56.98)	99.19%
1-63113-66 - Install Larger Upper Seep Collection System Pump	-	-	27,800.00	(27,800.00)	0.00%
1-63113-67 - WTP Focused Feasibility Study	35,846.59	35,846.59	125,600.00	(89,753.41)	28.54%
1-63113-68 - WTP Short-term Treatment Options Evaluation	-	-	24,550.00	(24,550.00)	0.00%
4.H Projects & Construction	67,586.28	164,036.82	468,450.00	(304,413.18)	35.02%
4.2 Total Other Expenses	227,602.67	557,426.63	1,101,200.00	(543,773.37)	50.62%
Total expenses	247,038.00	608,107.79	1,207,481.00	(599,373.21)	50.36%
Change in net assets	(232,202.41)	(593,230.04)	<u>\$ (1,207,481.00)</u>	<u>\$ 599,373.21</u>	<u>49.13%</u>
Net assets, beginning of period	4,032,201.89	4,393,229.52 ⁽¹⁾			
Net assets, end of period	<u>\$ 3,799,999.48</u>	<u>\$ 3,799,999.48</u>			

(1) Beginning net assets restated by \$41,891.00 for MDEQ expenses incurred in 2017, but invoice received after distribution of 2017 financial statements.

Montana Environmental Custodial Trust

Black Pine Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

ASSETS	
Current assets	
Cash	\$ 11,327.01
Money Market	21,144.33
Prepaid expenses - DEQ	103,919.73
Total current assets	<u>136,391.07</u>
Investments	<u>11,183,131.49</u>
Total assets	<u><u>\$ 11,319,522.56</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 5,925.29
Due to other cost centers	-
Total current liabilities	<u>5,925.29</u>
Net assets	<u>11,313,597.27</u>
Total net assets and liabilities	<u><u>\$ 11,319,522.56</u></u>

Montana Environmental Custodial Trust
Black Pine Clean-up Account
STATEMENTS OF ACTIVITIES
For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ 954.37	\$ 5,422.76			
Cost Recovery - DEQ	-	4,361.36			
Interest Income - MM	29.62	88.78			
Investment income, net of fees	43,507.78	139,207.06			
Unrealized gains (losses)	(4,083.30)	(107,162.84)			
Total revenues (losses)	40,408.47	41,917.12			
Expenses:					
5.1 Costs Paid Directly by Trustee from Clean-up Account					
2-2-01 Trustee Services/Expenses-Cox	-	19.75	\$ 1,000.00	\$ (980.25)	1.98%
2-2-02 Trustee Services/Expenses-GETG	1,719.00	1,963.00	30,000.00	(28,037.00)	6.54%
2-2-03 Mine Maintenance/Security	4,231.50	12,694.50	16,926.00	(4,231.50)	75.00%
2-2-04 Generator Maintenance	2,350.36	2,350.36	4,000.00	(1,649.64)	58.76%
2-2-51 Accounting Services	482.82	1,323.58	5,000.00	(3,676.42)	26.47%
2-62401 Mileage	576.60	1,550.79	2,266.65	(715.86)	68.42%
2-62405 Snowmobile	-	735.00	907.50	(172.50)	80.99%
5.1.1 Utilities					
2-62601 Electricity	1,541.05	5,066.51	6,500.00	(1,433.49)	77.95%
2-62607 Propane	-	-	2,840.00	(2,840.00)	0.00%
5.1.1 Utilities Total	1,541.05	5,066.51	9,340.00	(4,273.49)	54.25%
5.1 Trustee Costs Total	10,901.33	25,703.49	69,440.15	(43,736.66)	37.02%
5.2 DEQ Costs	18,827.09	785,726.05 ⁽¹⁾	1,421,171.62	(635,445.57)	55.29%
Total expenses	29,728.42	811,429.54	1,490,611.77	(679,182.23)	54.44%
Change in net assets	10,680.05	(769,512.42)	\$ (1,490,611.77)	\$ 679,182.23	51.62%
Net assets, beginning of period	11,302,917.22	12,083,109.69			
Net assets, end of period	\$ 11,313,597.27	\$ 11,313,597.27			

(1) See the supplemental schedule provided by the Montana Department of Environmental Quality for details of 5.2 DEQ Costs

Black Pine Mine Custodial Trust Expense Tracking

												Amount Funded	Remaining
												/ Revenue	Balance
Additional Funding Received January 2018												\$ 616,500.00	\$ 879,861.66
Jan-Mar 2018	\$ 9,003.98	\$ 1,848.61			\$ 42,807.99	\$ 348,133.55	\$ 3,546.44	\$ 405,340.57	\$ 4,774.99	\$ 410,115.56		\$ 5,828.75	\$ 475,574.85
Apr-Jun 2018	\$ 15,462.82	\$ 5,831.30	\$ 18.00		\$ 77,211.76	\$ 236,651.03	\$ 5,766.17	\$ 340,941.08	\$ 15,842.32	\$ 356,783.40		\$ 3,001.00	\$ 121,792.45
July-Sep 2018	\$ 6,446.36	\$ 2,408.77	\$ 29.00		\$ 7,641.31		\$ 175.21	\$ 16,700.65	\$ 2,126.44	\$ 18,827.09		\$ 954.07	\$ 103,919.43
Oct-Dec 2018								\$ -		\$ -		\$ -	\$ 103,919.43
Expenses 2018	\$ 30,913.16	\$ 10,088.68	\$ 47.00	\$ -	\$ -	\$ 127,661.06	\$ 584,784.58	\$ 9,487.82	\$ 762,982.30	\$ 22,743.75	\$ 785,726.05		
2018 Budget request balance remaining	\$ 13,448.84	\$ 7,656.32	\$ 3,505.00	\$ -	\$ -	\$ 139,818.94	\$ 466,422.42	\$ 1,437.18	\$ 632,288.70	\$ 3,157.25	\$ 635,445.95		
Personnel	Fringe	Travel	Equipment	Supplies	Consultants	Construction	Other	Total Direct	Indirect	Totals		Revenues	Balance

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

ASSETS	
Current assets	
Cash	\$ 1,643.52
Prepaid expenses - DEQ	-
Total current assets	<u>1,643.52</u>
Investments	<u>265,674.40</u>
Total assets	<u><u>\$ 267,317.92</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 403.00
Net assets	<u>266,914.92</u>
Total net assets and liabilities	<u><u>\$ 267,317.92</u></u>

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and period ending September 30, 2018

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ -	\$ -			
Investment income, net of fees	1,169.41	3,133.46			
Unrealized gains (losses)	-	(17.50)			
Total revenues (losses)	1,169.41	3,115.96			
Expenses:					
VI.A Clean-up Activities					
VI.A.1 GETG Trustee Fees	344.00	403.00	\$ 3,800.00	\$ (3,397.00)	10.61%
VI.A.2 GETG/Trustee Expenses	-	-	250.00	(250.00)	0.00%
VI.A Total Clean-up Activities	344.00	403.00	4,050.00	(3,647.00)	9.95%
VI.C Legal Affairs					
VI.C.1 Outside Counsel	-	-	1,000.00	(1,000.00)	0.00%
VI.C Total Legal Affairs	-	-	1,000.00	(1,000.00)	0.00%
VI.D Financial Affairs					
VI.D.1 Wipfli Fees & Expenses	-	-	900.00	(900.00)	0.00%
VI.D Total Financial Affairs	-	-	900.00	(900.00)	0.00%
VI.E MDEQ Environmental Actions and Oversight Costs					
VI.E.1 MDEQ Environmental Actions and Oversight Costs	-	22.16	23.00	(0.84)	96.35%
VI.E Total MDEQ Environmental Actions and Oversight Costs	-	22.16	23.00	(0.84)	96.35%
Total expenses	344.00	425.16	5,973.00	(5,547.84)	7.12%
Change in net assets	825.41	2,690.80	\$ (5,973.00)	\$ 5,547.84	-45.05%
Net assets, beginning of period	266,089.51	264,224.12			
Net assets, end of period	\$ 266,914.92	\$ 266,914.92			